

HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
Minutes of the Board of Trustees
Rules Committee Meeting
May 23, 2002

TRUSTEES PRESENT: Mr. Davis Yogi, Chairperson
Mr. Willard Miyake
Mr. Neal Miyahira (Left 11:45 a.m.)

TRUSTEE ABSENT: Mr. Clifford T. Uwaine, Vice-Chairperson

ATTORNEY: Mr. John Deller, Deputy Attorney General (Left 11:45 a.m.)

HEUHBTF STAFF: Ms. Shirley Kawamoto
Ms. Wanda Kimura
Mr. Gary Sanehira
Ms. Karen Tom

OTHERS PRESENT: Ms. Jean Aoki – HSRTA
Mr. George Butterfield – HSTA-Retired
Ms. Nani Crowell – HSTA
Ms. Monica Engle – VSP
Mr. Vincent Ho – Hawaii Health Systems Corporation
Ms. Tina Kali – Hawaii Health Systems Corporation
Mr. Maurice Morita – HSTA
Ms. Jan Munemitsu – Department of Health
Mr. Gordon Murakami – Royal State
Ms. Karen Muronaka - HSTA-Retired
Mr. Bill Nelsen – HDS
Ms. Celeste Nip – Hawaii Firefighters Association
Sharon Sakai – DOE
Ms. Jennifer Tobin – C&C of Honolulu, Human Resources
Ms. Amy Yasuda - UH

A. CALL TO ORDER

The meeting of the Rules Committee was called to order when there was a quorum at 9:17 a.m. by Mr. Davis Yogi, Chairperson, in Conference Room 303, No. 1 Capitol District Building, 250 South Hotel Street, Honolulu, Hawaii, on Thursday, May 23, 2002.

B. APPROVAL OF MINUTES

Motion to approve the minutes of April 23, 2002 as corrected. (Miyake/Miyahira)
Discussion: A correction was submitted by Mr. Butterfield that Mr. George Yamamoto's organization is HGEA-Retirees. This error will also be corrected in the previous minutes.
Vote: Unanimously passed.

C. UNFINISHED BUSINESS

Item A. OVERVIEW OF CURRENT HEALTH FUND RULES AND CONCEPT EUTF
ADMINISTRATIVE RULES

The Committee members discussed and had public comment on concept EUTF rules 6.01(d), 6.02, 6.03, and 6.05.

There was discussion and public comments that the rules should reflect effective dates that are prospective. For Rule 6.02(a), Contribution Shortages, cancellation will be prospective instead of retroactive and based on semi-monthly contribution rather than monthly contribution. The Committee determined that cancellation due to a contribution shortage be effective at the end of the pay period following thirty (30) days.

There was discussion that an employee who is cancelled because of non-payment would be allowed to re-enroll during open enrollment as covered under Rule 4.02(b)(4) provided the employee has made full payment of any monies due.

The Committee discussed the effect of Rule 6.02 during a labor strike as the Trust Fund may not have sufficient funds to cover the employer's portion of the monthly premiums for striking employees. Deputy Attorney General Aburano was asked to work on language for extenuating circumstances.

RECESS: 10:35 a.m. to 10:42 a.m.

There was discussion on Rule 6.05(a) that the effective dates must be changed to conform with effective dates of enrollment as in Rule 5.02.

RECESS: 11:45 a.m. to 1:35 p.m.

Rule 6.03(c), Cancellation Due to Failure to Pay Contributions, will be corrected to be consistent with Rule 6.02 to be prospective and that cancellation due to a contribution shortage be effective at the end of the pay period following thirty (30) days.

The following changes were proposed for Rule 6.04, Termination of Enrollment; Effective Dates of Termination: (b) is deleted; (c) effective date will be changed to the end of the pay period; (d)(5) effective date to be changed to the end of the pay period. There was discussion that a cancellation rule is needed relating to the certification of a student and a child's permanent disability for continued coverage under health fund plans; and (e) title is changed to Termination Due to Filing of Fraudulent ~~[Claims]~~ Coverages and/or Benefits; all references to "with the Fund" to be deleted.

There was discussion and public comment on the Public Employees Health Fund (PEHF) rule §6-34-8, Reimbursement of Medicare premiums. A comparable Trust Fund rule was not proposed because this might be handled as a Board policy or decision. Public comment indicated that during the last Legislature, the VEBA bill had a similar concept which permitted the VEBA trust to determine use of the contributions and retirees testified against it. As there was only one retiree present, the Chair opined that there was insufficient attendance to continue

the discussion. The Chair and Mr. Miyake agreed to hold a special meeting and asked staff to call the other retirees who are normally present at these committee meetings to obtain their views at the next Rules Committee meeting.

RECESS: 3:28 p.m. to 3:35 p.m.

Review of PEHF rule Chapters 34, 35, and 36 indicated that there are no comparable rules to be proposed. The information contained in these chapters may be included in benefit plan summaries.

D. NEXT MEETING:

The next meeting is scheduled for Thursday, May 30, 2002, 1:30 p.m., No. 1 Capitol District Building, Conference Room 303/304, to discuss PEHF rule §6-34-8, Reimbursement of Medicare Premiums, with retirees.

E. ADJOURNMENT:

Motion to adjourn. (Yogi/Miyake)

Discussion: None.

Vote:

Meeting adjourned at 4:05 p.m.

Respectfully submitted,

/s/

Davis Yogi, Chairperson

APPROVED on August 27, 2002.

Documents Distributed:

1. Minutes for Rules Committee Meeting April 23, 2002. (3 pages)
2. Approved Minutes for Rules Committee Meeting March 27, 2002. (5 pages)
3. Approved Minutes for Rules Committee Meeting April 2, 2002. (4 pages)